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RELATIONS BOARD

REPORT OF THE FACT-FINDER

In the Matter of the Fact-finding Between

CITY OF MARSHALLTOWN

and

**CHAUFFEURS, TEAMSTERS AND
HELPERS, LOCAL 238**

Hearing: April 27, 2005

Report: May 10, 2003

Sharon K. Imes, Fact-finder

**Appointed through the Iowa Public
Employment Relations Board**

APPEARANCES:

Ahlers & Cooney, PC, by **James C. Hanks**, appearing on behalf of the City of Marshalltown, Iowa and its Police Department.

Previant, Goldberg, Uelmen, Gratz, Miller & Brueggeman, S.C. by **Jill M. Hartley** and **Kevin J. McCombs**, Business Representative, Chauffeurs, Teamsters and Helpers Local Union 238, appearing on behalf of the Local.

BACKGROUND AND JURISDICTION:

The City of Marshalltown, Iowa, hereinafter referred to as the City or the Employer, and the Chauffeurs, Teamsters and Helpers Local 238, hereinafter referred to as the Union, are parties to an agreement effective July 1, 2004 through June 30, 2005. In negotiating the agreement to commence July 1, 2005, impasse was reached on one issue, wages.

Pursuant to Section 20.21 of the Iowa Public Employment Relations Act (PERA), the undersigned was selected as fact-finder to hear, report and make recommendations on the matters remaining in dispute. The hearing was convened on April 27, 2005. At that time, both parties present were given full opportunity to present oral and written evidence and to make relevant argument.

ISSUES IN DISPUTE:

The parties remain at impasse only on the issue of wages.

POSITIONS OF THE PARTIES:

The Union seeks a 6% across-the-board increase in wages. The City, on the other hand, proposes a 2.5% across-the-board increase in wages with no change in the structure or steps of the salary schedule.

As support for its position, the Union argues that a 6% across-the board increase is needed in order to start making up some of the difference between the pay its employees receive and the pay similar employees among the comparables receive. Further, it maintains that while the record shows that internally the employees in other bargaining units have received a 3% across-the-board wage increase, the needs of this bargaining unit are greater.

The City maintains, however, that the wage increase it offers is consistent with increases similar employees in similar comparables have reached and with the wage increases both represented and non-represented employees within the City agreed upon. Further, the City argues that the Union should not be allowed to argue "catch up" resulting from slippage in rank when it agreed to a wage freeze in 2003-04 in lieu of layoffs.

DISCUSSION AND RECOMMENDATIONS:

The Public Employment Relations Act provides no specific guidelines to consider in making fact-finding recommendations. It does set forth, however, criteria to be considered in determining the reasonableness of the parties' offer under binding arbitration in Section 20.22. Therein, the law states the following factors should be considered relevant: past collective bargaining contracts between the parties including the bargaining that led up to such contracts; comparisons of wages, hours and conditions of employment of the involved employees with those of other public employees doing comparable work; any factor peculiar to the area and classifications involved; the interests and welfare of the public; the ability of the public employer to finance economic adjustments and the effect of those adjustments on the normal standard of services, and the power of the public employer to levy taxes and appropriate funds for the conduct of its operations. Since the parties may proceed to arbitration if this dispute is not resolved following receipt of this fact-finding

report, it is appropriate that these same factors be considered in reaching a fact-finding recommendation.

After reviewing the evidence, the arguments of the parties, considering the criteria set forth in Section 20.22 and assigning weight, where possible, to that criteria, it is recommended that the wage rate be increased by 2.5% across-the-board on July 1, 2005 and by 1.0% across-the-board on January 1, 2005. This recommendation is based upon several findings. First, the bargaining history does not support either party's proposal. A review of that history shows that, generally, the parties have had a good bargaining relationship and have been able to reach agreement with settlements similar to those received by other bargaining units within the City. It also shows that between 1994 and 2001, the wage increase percentages granted this bargaining unit were frequently higher than the percentages granted the other bargaining units and always higher than the average. It is assumed, perhaps incorrectly, that these agreements reflect the strength of a bargaining unit that has more than twice as many bargaining unit employees as any other bargaining unit within the city.

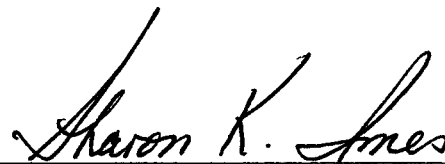
The bargaining history also shows that since 2001, this bargaining unit has received the same percentage wage rate increase the other bargaining unit employees within the city have received. To this extent, any fact finder's recommendation should do as little harm as possible to the bargaining relationship between these parties as well as between the City its other bargaining units. By recommending a 2.5% across-the-board increase in July and an additional 1% across-the-board increase in January, the overall increase in wages approximates a total increase of 3% for the year, the same increase other employees within the city will receive for the year.

The fact finder recommendation is also supported by evidence provided pertaining to the external comparables. In making this comparison, the following cities were considered comparable: Ankeny, Burlington, Clinton, Fort Dodge, Marion, Mason City, Muscatine, Ottumwa and Urbandale.¹ A review of the wage rates provided by the Union (a more current wage rate analysis than that provided by the City) and the ranking of this unit among similar units within the comparables indicates that an across-the-board percentage increase between 2.5% and 4% would not

¹ It is interesting to note that the parties, despite resorting to fact finding two times before, have not yet reached agreement on which cities they consider comparable. Such an agreement would do much to help both parties understand the impact of their respective offers during negotiations and perhaps assist each in reaching a settlement. These cities were considered comparable since they were the cities proposed as comparables by the City in its 2001 fact finding. It is noted that the City proposed Bettendorf as a comparable in its 1995 fact finding and that the Union proposes this

change this unit's rank among the comparables. This would suggest that the City's proposed 2.5% across-the-board increase is reasonable. And, if one were only looking at the minimum wage rates, that conclusion could be reached. Of concern, however, is that employees in this bargaining unit do not reach the maximum increase in pay until they have provided twenty years service to the City. When this fact is compared with the number of years other employees performing similar work among the comparables must work in order to reach the maximum wage rate, it becomes obvious that there is a need for a greater across-the-board percentage increase in order to improve the maximum wage rate for employees in this bargaining unit, thus the reason for a recommendation that raises the wage rate by 3 ½ % without the financial impact of that raise.² Also factored into this recommendation is the fact that the percentage increases in wages among the comparables ranged from 2.5% to 4% and that the average percentage increase in wages among the comparables was 3.1%.

In deciding upon the above recommendation the City's argument pertaining to the agreement it made with the Union when the Union agreed to a wage freeze in 2003 was not ignored. It is undisputed that the Union agreed to a wage freeze in return for which the City agreed to no layoffs. This fact does not mean, however, that the Union should not now attempt to raise the wage rates for its bargaining unit employees to a level comparable to that being paid similar employees in comparable communities. Not only does this effort benefit current employees but also it allows the City to retain qualified employees and to recruit capable employees since its wage rates are competitive.



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comparison in this dispute. This city was not included in the comparables since no information that establishes a community as a comparable other than size was presented.

² While the fact finder could recommend a change in the schedule, the parties are better served if they are able to discuss and reach an agreement between themselves since they have a better understanding of the operations within the City.

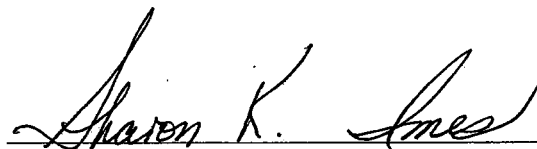
CERTIFICATE OF SERVICE

I certify that on the 10th day of May, 20 05, I served the foregoing Report of Fact Finder upon each of the parties to this matter by (~~_____ personally delivering~~) (X mailing) a copy to them at their respective addresses as shown below:

JILL M. HARLEY, PREVANT, GOLDBERG, ETAL., 1555 NORTH RIVER CENTER DRIVE, SUITE 202, MILWAUKEE, WI 53212

JAMES C. HANKS, AHLERS & COONEY, P.C., 100 COURT AVE. SUITE 600, DES MOINES, IA 50309

I further certify that on the 10TH day of MAY, 20 05, I will submit this Report for filing by (~~_____ personally delivering~~) (_____ mailing) it to the Iowa Public Employment Relations Board, 510 East 12th Street, Suite 1B, Des Moines, IA 50319.



SHARON K. IMES Fact-Finder
(Print name)

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